



Developing Employees

About this Topic: Developing Employees



Topic Mentor

Susan Alvey

Susan Alvey is a specialist in the areas of organizational change, organizational communication, and leadership development. Before joining Harvard Business School Publishing as Director of Organizational Learning and Development, Susan led the employee communication and training efforts at Tufts Health Plan. Prior to her years at Tufts, she worked with numerous public and private client organizations. She has spent many years teaching communication at the college level and has helped hundreds of individuals to effectively communicate in the workplace.

Topic Source Notes

Learn

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Steps

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Tools

Susan Alvey, interview on developing employees. Boston: July 2005.

What Would You Do?

What would you do?

Jack started as director of research at Rose, Greene, & Bloom LLC, a statistical analysis firm, one year ago. He prided himself on his ability to grow his star employees, and was confident that he had addressed performance issues with his underachievers to the best of his ability. But one morning, he overheard some troubling news. One of his most reliable and competent employees, Isabel, had started to look for a new job because she felt ignored and underappreciated. Jack was surprised; Isabel seemed so content. In fact, she'd never needed much of his attention. Jack was eager to take immediate action to retain Isabel, but wasn't sure where to start.

What would you do?

Jack, like many managers, made the mistake of concentrating all of his effort and time on developing top employees and managing the performance of underachievers. As a result, he neglected the people in the middle—the B players, the solid contributors who consistently meet expectations but are not standouts. To retain Isabel, Jack needs to first recognize her contribution and communicate her value. He should check with her to determine the direction she'd like her career to take, but should be careful not to impose his own desire for advancement on her. If Isabel would like to take on new career responsibilities, Jack should take an inventory of her skills, interests, and values. He should then seek out development opportunities to match them. When he feels prepared to discuss the available opportunities, he should meet with her to create a development plan agreeable to both of them.

In this topic, you'll learn why employee development is critical to business success and how to develop your employees successfully.

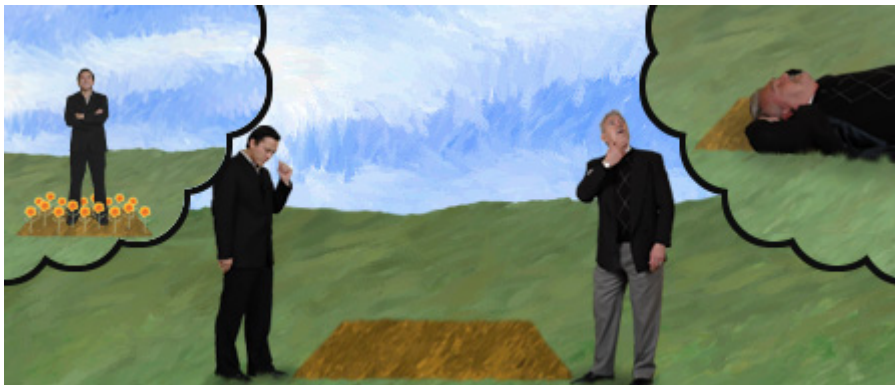
As a manager, you direct the professional growth of *all* your employees. But how do you divide your attention among high performers, underperformers, and those in the middle?

Topic Objectives

This topic helps you:

- Understand why employee development is critical to business success
- Recognize your role in developing employees
- Evaluate your employees' individual developmental needs
- Motivate top employees, grow solid contributors, and act decisively on underperformers
- Conduct successful career development discussions

Different perspectives



Ask three people in your organization to define "employee development," and you will probably receive three different responses. For example:

- **A direct report** may focus on upward mobility (e.g., "What can I do to get a promotion?").
- **Another manager** may speak to employees' motivation, productivity, and engagement (e.g., "What can I do to keep my best workers from leaving?").
- **A senior-level executive** may address issues such as what it takes to retain and grow top talent to help lead the company in the future (e.g., "What do we need to do to ensure we have the people with the best skills in the right place in the future?").

Regardless of your vantage point, employee development can be defined as a process that aims at helping manage employees' growth. Ideally, this process is integrated with an organization's performance management program, but remains distinct from routine performance evaluations.

Key Idea: Success depends on it

Key Idea

Developing your employees is critical to your organization's success. Research has shown that companies whose employees are inspired to work to their greatest potential yield the best business results overall.

Such employees have the energy necessary to generate fresh solutions to organizational problems. They also collaborate better to create innovative products, services, and processes.

Inspired employees generally take pride in their work and feel accountable for their unit's or organization's well-being. Because they are stimulated by their work environment, they also tend to be loyal to the organization.

Your organization's plan for developing employees is a key factor in attracting and retaining the best talent—those best equipped to add to your bottom line. If high-performing individuals feel they are being given opportunities to grow, they are more likely to stay, even during tough times.

Likewise, having a strong career development program in place helps an organization prepare for the future. Succession planning is no longer a process that involves only executive-level staff. Top organizations understand that their success depends on understanding who will be in place to take on what assignments—at all levels of the organization—in five years' time.

Businesses that neglect employee development tend to suffer for it. How does employee development contribute to business success?

A new approach

“ You have to water the flowers
you want to grow. ”
–Stephen R. Covey

Over the past few decades, the approach to employee development has shifted. Organizations have adopted more expansive models of what development looks like. Compare the old versus new approaches in the table below:

Old Approach	New Approach
Only poor performers need development.	Everyone in an organization can be developed, especially high performers.
Development is the responsibility of the human resources group.	Employee development is every manager's responsibility.

Career development focuses on moving capable employees up a predictable corporate ladder.	Career development focuses on moving employees through new challenges to strengthen their professional abilities.
Development means "training" (i.e., internal seminars or weekend workshops).	<p>Development more likely means informal, on-the-job ways of learning, such as:</p> <ul style="list-style-type: none"> • "Stretch" assignments • Job rotations • Self-paced e-learning • Action learning • Manager coaching and feedback • Mentoring

To develop your employees effectively, you must have certain skills, such as the ability to seek out opportunities, set goals, and provide feedback. Equally important, however, is your commitment to cultivating the potential of your employees.

As you strive to develop your employees, keep in mind that there is no one-size-fits-all approach. You must respond to your organization's unique business context and to your individual employees' values, skills, and interests.

Why managers neglect employee development



While an organization's employee development program usually originates in the human resources department, the success of the program lies in its implementation by managers. Unfortunately, managers often fail to adequately address their employees' developmental needs.

Why? Managers often feel that they don't have the time. In light of their busy schedules, they feel that, as long as their employees are meeting basic performance expectations, it is enough to address performance issues during annual or quarterly reviews. And unless employees actively seek them out, they often don't take the time to provide developmental resources.

Additionally, managers often avoid employee development discussions because these discussions are frequently difficult conversations for a variety of reasons. For example:

- Managers may feel uncomfortable talking to poor performers if they haven't figured out a clear plan of action for addressing their performance.
- Likewise, if there are no opportunities available in their group, managers may avoid talking about career development to high performers, as they do not want to lose them.

Consequences of neglecting development

Although the development discussion can be difficult, failing to address the developmental needs of your direct reports can adversely affect your unit as well as your company. For example, top performers, as well as competent performers, may:

- **Feel neglected and unmotivated.** If not given opportunities to grow or feel supported, the morale and motivation of these critical team members may begin to decline. As a result, they may view their work as less of a priority, and their work habits may deteriorate.
- **Leave.** If they don't see prospects for growth (which may exist, but which might not be immediately apparent), top performers may seek challenges outside your team—or organization.

At the other extreme, low performers may:

- **Have a false sense of their success.** If you focus on development instead of performance improvement with underachievers, they may assume that they are successful in the organization. These employees might then become disappointed when they don't receive promotions.
- **Breed negativity.** When they are not given promotions—and they don't know why—low performers may share their frustrations with others and spread resentment.

Similarly, there are consequences for you as a manager. When employee development is ignored, you:

- Miss the opportunity to align your employee's development with your organization's direction.
- May have unproductive, unhappy employees working for you.
- Don't have backup or "bench strength" among your ranks should a top performer leave.

Your role in development

“What I need is someone who will
make me do what I can.”
– Ralph Waldo Emerson

Effective employee development depends upon your ability to match employee growth opportunities with organizational needs. However, while you are responsible for guiding your direct reports' development, your employees themselves need to own the process of managing their careers.

As a manager, your role is to:

- Help guide your employees by helping to match their skills, business interests, and work values with job opportunities
- Conduct frequent discussions of developmental needs
- Give timely and specific feedback about an individual's performance against established expectations

- Provide opportunities for coaching, when necessary
- Act as an informal teacher by being conscious of the behaviors and attitudes you model
- Work with your employees to draft individual development plans

Leadership Insight: Teaching: the virtuous loop

Throughout my career I have learned the essential nature of always trying to grow your own knowledge base. In my case, right off the bat in terms of when I became the CEO of the company I had come up on the financial side. I was CFO, I had been treasurer, I started my career in banking. So I knew financial things. And the circumstances under which I became CEO was really just on four days' notice. So it was not a nice, smooth process, well thought out. But what I figured out pretty quickly was that the skill set that I had, the financial skill set, was important, but it wasn't going to be enough.

And if I had any hope of being successful as a CEO, I was going to have to view not only business but life in a much different way. And I was really going to have to learn and understand topics, quite frankly, that I had never been involved with before. So that, for me personally, was a transformation, if you will. But I then realized that the only way I was going to be able to do that is to reach out to individuals in the organization who, although I had known them, I really hadn't worked very closely with them.

I had to create an environment where they were comfortable teaching me, if you will, and sharing the gifts that they had. That was the only way that my own learning would be supported. And as time went by, and the years went by, I was more and more comfortable with that, and I noticed that people were happy to share the things that they knew. They were proud of what they had accomplished.

It was really a segue into creating almost a higher purpose for the organization that was all built around the sharing of the knowledge, and the linkage of that to leadership.

The link between leadership and teaching is one that absolutely cannot be broken. When we talk about the importance of leadership and teaching, I think what is really essential is not to look at those as two separate concepts. You need a broader definition of both. If you accept the premise, as we do in our own organization, that everyone is a leader, what you're really saying is everyone has to be a teacher as well. The concept of being a leader, again, is not for the highest echelon of the company.

And what I have found in many, many instances, the real learning opportunities are coming from the individuals who are closest to the customers, the ones who are there day in and day out handling customer needs. Because they have the real knowledge of what the business is all about. So in my view, to be a leader in the broad definition of every individual being a leader, you've got to have the ability to teach from your experiences, and that goes both ways. Without that, I think that leadership will then just be left as wispy, dream like philosophical concept, and it will never take hold.

Effective leaders not only teach others, but are willing to learn from others.

Larry Downes
CEO, New Jersey Resources

Larry Downes is Chairman of the Board and CEO of New Jersey Resources (NJR) and its principal subsidiary, New Jersey Natural Gas (NJNG). New Jersey Resources, a Fortune 1000 company with over \$3 billion in annual revenues, provides natural gas and clean energy services to customers in New Jersey, and in states from the Gulf Coast to New England and Canada.

He joined NJR in March 1985 and was appointed Senior Vice President and Chief Financial Officer in January 1990. In March 1995, he was elected President and CEO of NJNG and a member of NJR's Board of Directors. In July 1995, he was named President and CEO of NJR. In September 1996, he was named Chairman of NJR's Board of Directors.

Larry received a bachelor's degree in business administration in June 1979 from Iona College, as well as a master's degree in business administration from Iona in June 1981. He is a Director and past Chairman of the American Gas Association and the Natural Gas Council, and a Trustee of the American Gas Foundation. He is also past Chairman and serves as a member of the New Jersey Commission on Higher Education.

Activity: Assess your development skills

Do your development skills need improvement?

Answer each of the following ten questions "yes" or "no." Record your answer to each question manually as you go.

"Do you currently..."

1. Meet with employees to discuss their career development outside of annual or quarterly performance reviews?
2. Look for challenging opportunities to help employees learn new skills?
3. Prioritize developing top employees and solid performers over managing underperformers?
4. Give timely and specific feedback about individual performance against established expectations?
5. Make note of specific strengths of each of your employees and how assigning more challenging projects or tasks can enhance them?
6. Keep a running list of specific examples of employee weaknesses that need to be addressed?
7. Look for "gaps" between your employees' stated goals and their actual performance?
8. Identify which employees have higher career aspirations and which are content in their current roles?
9. Work with your employees to draft individual development plans?

10. Create individualized development plans for each of your employees, even if individuals have the same title?

Tally your score, giving yourself one point for each "yes" answer, and select it from the options below.

☐ Score range 0-3

You need to think more carefully about how you develop your employees. After taking this program, think about how you can apply the material to address the development needs of each member of your team.

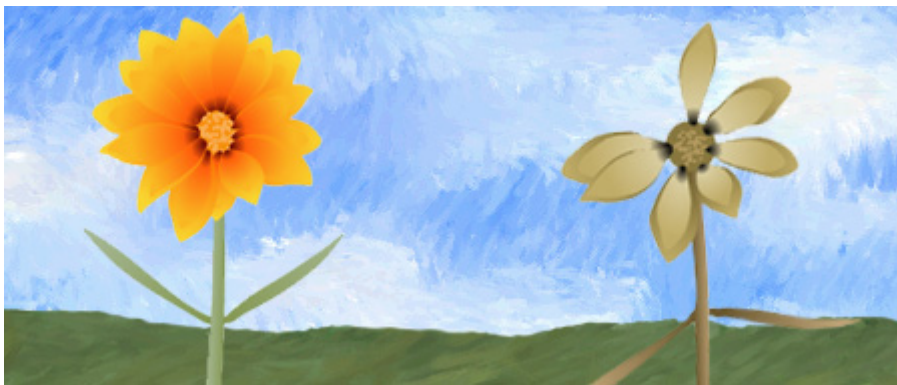
☐ Score range 4-7

You have a good idea about how to handle your team's development needs, but there may be some aspects of employee development that you are overlooking. Use this program to fill in the gaps in your knowledge.

☐ Score range 8-10

Employee development is one of your strengths as a manager. This program should serve to remind you of best practices and help you put your development strategies into context.

The importance of seeing differences



As a manager, you likely understand that no two employees have exactly the same developmental needs. However, you may not know the critical role differentiating between employees—in terms of their performance and potential—plays in the success of your organization.

Distinguishing among employees allows you to:

- **Appropriately address performance expectations.** What is a realistic expectation for one employee may not be for another, even if they share the same job title.
- **Draft suitable developmental plans.** While some employees may need only stretch goals to provide them on-the-job challenges, others may need goals directed at improving their performance.
- **Help direct reports manage their careers.** Tailoring a development program to suit the specific needs of individual employees helps to maximize their chances of success in the workplace in

both their current and future jobs.

- **Better build a foundation for your organization's success.** Knowing who your top performers are helps your organization focus its retention efforts.

Differentiating may be difficult

Simply stated, differentiation is the process by which managers assess team members to provide them with appropriate growth and job enrichment opportunities. It's important to keep in mind that differentiation is *not* the process by which you pass judgment on which of your employees are the "best" (or "worst").

Still, differentiation is difficult for many managers. For some, assigning relative values to otherwise well-performing employees may seem unfair. In fact, studies show that most managers who are satisfied with their employees' performance want to rate them all "outstanding" or "good."

Ways of differentiating

“ Treat people as if they were what they ought to be and you help them to become what they are capable of being. ”
–Goethe

Many organizations differentiate employees according to performance. Using this model, managers divide their direct reports into three groups:

- **Top performers:** Employees who define the standard for exceptional performance by consistently delivering results and motivating others to do so as well.
- **Solid performers:** Employees who consistently meet expectations but may not be on a fast track within the organization.
- **Underperformers:** Employees who just "get by," delivering barely acceptable results.

Other firms choose to designate their employees' performance in more relative terms. In a given group or unit, top performers would be the best 10%–20%; solid performers, the middle 60%–80%; and underperformers, the bottom 10%–20%. However, using a forced ranking system is often controversial. Since only a few people can be ranked as top performers, forced ranking may foster an intimidating, competitive environment. In addition, many managers find it difficult to assign a certain percentage of their employees—especially if they are performing adequately—to the lowest rank.

An alternative way to assess performance is to factor in an employee's potential in the assessment. By considering potential, you not only take into account an employee's historical contribution, but also the individual's future value.

Using the Performance and Potential Grid

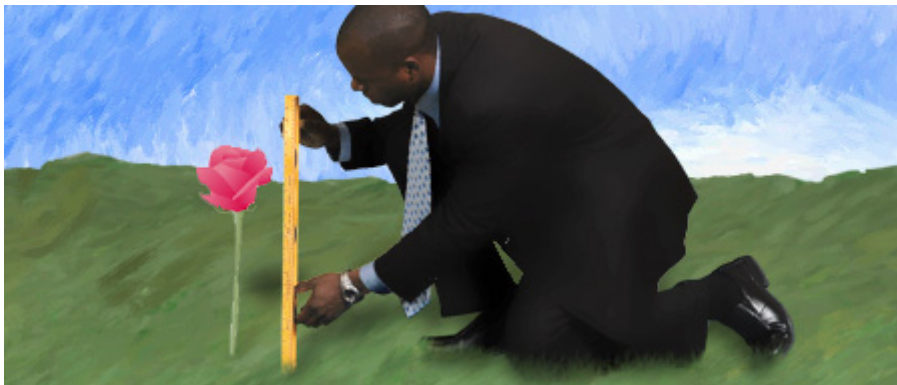
There are a number of ways to evaluate your employees' developmental needs. Your company's human resources group may recommend specific tools, so it's best to start by checking in with them. If your organization does not recommend a preferred tool, consider using the following Performance and Potential Grid:

As the name suggests, this tool helps you place an employee on a grid in terms of his or her performance and potential. Each of the nine cells in the matrix maps to a specific category and set of recommended actions.

For example, you would place an employee with a medium performance and a high potential in cell 6—and follow the recommended course of action to develop that person.

The Worksheet for using the Performance and Potential Grid (located in the Tools section for this topic) provides a series of questions to help you identify your employees' performance and potential levels, along with a list of corresponding action steps.

Evaluate employee performance



To use this tool, first establish an individual's performance level. You will arrive at this level by answering six yes-or-no questions about your direct report's performance. These questions include:

- Does this employee *exceed* expectations in at least one area of performance?
- Is the employee a key contributor to the team and the organization?
- Does the employee act on corrective performance feedback in order to improve performance?

Assign an employee one point for each question you answered "yes." The employee's performance level is determined by adding up the total number of points: 0–2 points = low performance; 3–4 points = medium performance; and 5–6 points = high performance.

For example, a manager answers six questions about the performance of his direct report, Isabel. He tallies the results, and assigns her a score of 3 points. According to this system, then, Isabel is a medium performer.

Evaluate employee potential

Next, you'll want to determine the employee's potential. You'll determine this by answering 10 yes-or-no questions. Questions include:

- Could the employee perform at a higher level, in a different position, or take on increased responsibilities within the next year? The next three years?
- Could the employee learn the additional skills and competencies he or she needs to be able to perform at a higher or different level?
- Does the employee demonstrate leadership ability—by showing initiative and vision, delivering on promised results, communicating effectively, and taking appropriate risks?

Again, for each question you answer in the affirmative, give the employee one point. If you are unsure about how to answer a particular question, it's better to give the person the higher score by responding "yes." The employee's potential level is determined by adding up the total number of points: 0–3 points = low potential; 4–7 points = medium potential; and 8–10 points = high potential.

Let's look at the example. Isabel's manager answers 10 questions about her potential. He tallies the results, and assigns her 5 points. Therefore, using this system, Isabel has medium potential.

Place the employee on the Grid

To determine an employee's placement on the grid, plot the intersection of the low, medium, or high designations for both performance and potential. The intersection will place the employee in a cell from 1 to 9. These cells map to the following categories:

- Cell 2, 3, or 6 = top employee
- Cell 1, 4, or 5 = solid contributor
- Cell 7, 8, or 9 = underperformer

To return to the example: since Isabel's performance level is medium, as is her current potential, she would be placed in cell 5, and be characterized as a solid contributor.

Key Idea: Use placement to determine next steps

Key Idea

Once you've placed your employees on the Performance and Potential Grid, your next step is to determine the best course of action for each one.

Returning to the example, you have already determined that Isabel is a solid contributor who is both valuable and productive. The suggested course of action for managers who want to develop employees in this group includes: keeping the employee engaged and motivated through recognition, as well as focusing on improving the employee's performance.

With solid contributors like Isabel, you might also test to see if greater accomplishment is possible, and if so, provide appropriate developmental opportunities. Also keep watch for increases in a solid contributor's performance and potential.

More broadly speaking, you'll want to consider the following guidelines after you've determined each employee's level.

- **Be sure to invest in your top employees (your 2s, 3s, and 6s).** What resources do you have to invest in these people to keep them appropriately challenged? What motivation can you provide to keep them satisfied? Be aware that there may not be much room for advancement for top employees within your group. Think about alternative ways to engage them and help them grow professionally.
- **Strive to affirm and grow your solid contributors (your 1s, 4s, and 5s).** What can be done to ensure that they are satisfied and stay productive? Consider whether there are opportunities for growth within your team and organization.

- **Finally, act decisively with underperforming team members who lack initiative (your 7s, 8s, and 9s).** Identify the people on your team who lack initiative and continually underperform. What can be done to ensure that their performance is dealt with or that they are in the job that best suits them?

You've seen how to use the Grid to plot both an employee's performance and potential. But what steps do you take once you determine placement?

Activity: Star, solid contributor, or underperformer?

Before you can develop employees, you must differentiate them.

You want to determine whether your employee Tony is a top performer, a solid contributor, or an underperformer. By differentiating him in this way, you can determine how best to develop him. First, you set out to assess his performance. What question might you ask yourself during this step?

- ☐ "Is Tony a key contributor to my team and our organization?"
Correct choice. This is one of six questions you can ask to evaluate an employee's performance—a key dimension in differentiating employees.
- ☐ "Could Tony master the additional skills he needs to perform at a higher level?"
Not the best choice. This is one of ten questions you would ask to evaluate Tony's potential, not his performance.
- ☐ "What number would Tony be on the Performance and Potential Grid?"
Not the best choice. This question would be premature during this step. Making this query would help you determine whether Tony is a top performer, a solid contributor, or an underperformer. To assess his performance specifically, you would need to ask a different type of question.

Now that you've assessed Tony's performance, you want to take stock of his potential—another key dimension in differentiating employees. What question might you ask yourself at this stage?

- ☐ "Does Tony act on corrective feedback that I provide?"
Not the best choice. This is one of six questions you can ask to evaluate Tony's performance—not his potential.
- ☐ "Does Tony demonstrate leadership ability and initiative?"
Correct choice. This is one of ten questions you would ask to evaluate Tony's potential.
- ☐ "What resources would I need to invest in keeping Tony challenged?"
Not the best choice. This is a question you would ask after you had determined that Tony is a top performer. It's not a question for assessing his potential.

You've evaluated Tony's performance and potential by asking yourself questions about each of these dimensions and determining whether Tony is high, medium, or low on each dimension.

Based on this assessment, you've placed Tony in cell 6 of the Performance and Potential Grid—meaning that he has scored a medium on performance and a high on potential. How would you differentiate Tony based on his position in the Grid?

☐ Underperformer

Not the best choice. Underperformers fall into cells 7, 8, or 9 on the Grid, not cell 6.

☐ Solid contributor

Not the best choice. Solid contributors fall into cells 1, 4, or 5 on the Grid, not cell 6.

☐ Top performer

Correct choice. Employees placed in cell 6 (as well as 2 or 3) are top performers.

How do you motivate employees?



Satisfying the needs of stars and nurturing their professional growth is critical to an organization's success. Your best employees, or A players, boost company performance, both directly—by working diligently at their jobs—and indirectly, by their ability to inspire and motivate others. Therefore it's critical to invest the time and energy to keep them satisfied and engaged.

In the past, managers often focused their motivation efforts on "extrinsic" factors—those aspects of a job that are related to job *environment*, not the job content itself. These motivators included:

- Company policies and benefits
- Working conditions
- Salary and other forms of compensation
- Status

Today, successful managers understand that externally focused incentives often provide only short-term motivation. They understand that appealing to people's inner drives, needs, and desires can

achieve better results. This type of motivation relies on "intrinsic" factors that are related to *job content* and draws from within employees. These motivators include:

- On-the-job-achievement
- Positive feedback about the quality of work
- Opportunities for growth and learning
- A sense of responsibility for the work being done

Understand what drives top performers

“ It is time for us to stand and cheer for the doer, the achiever, the one who recognizes the challenge and does something about it. ”
–Vince Lombardi

Finding out what motivates your top employees on an individual level is critical. The easiest way to figure out what motivates these employees is to simply ask them directly. Set up frank conversations to find out what they would like to be doing, and what drives them to do their best.

Ask them questions such as:

- What kinds of work are you most passionate about?
- What types of opportunities for learning do you find most exciting?
- What types of rewards most motivate you? Are you most energized by money, autonomy, affiliation, title, time off, or intellectual challenge?

Sometimes these questions are difficult to ask directly. Instead, you may have to deduce the answers by asking less direct questions, such as: What do you like, or not like, about your job? Alternatively, you may simply pay attention to the employees' behavior, taking note of the tasks they seem to enjoy, and what seems to motivate them the most.

Also, be sure to find out if anything about their job situation is frustrating them, such as too much travel, difficult colleagues, or not enough challenge from day to day. Try to address their needs and desires—and eliminate obstacles as best you can. Help them to develop by shaping their careers and responsibilities in the direction they'd like to go. To move them in the right direction, you'll have to provide them with the right growth opportunities.

Leadership Insight: Genuinely listen

I think one of the challenges in developing others is that people are in different places in their careers. So, as a leader, it's often easy to assume that everybody on your team wants the same thing that you do. They want the same kind of career path. They want to have the same earning potential, whatever that is. They want the same thing that you do.

So I think the challenge is really finding out where people are in their career, what's important to them. Some people don't want the next promotion. What they want is an opportunity to work on projects that they enjoy and have time with their children, or have time to take nice, long vacations. Whatever that is, you have to figure out — help that employee figure — out what's important to him or her, and then work to develop them in the way that makes the most sense

for that particular person. It's very easy to try to do cookie-cutter development, and it just doesn't work.

We're all busy people, and it's easy to just go through your questions and not really listen to the answers. And you go into those conversations, sometimes, with a predisposed idea about what would be good for that person. And you just have to really let those filters go and really, genuinely listen to the employee — which isn't always easy to do, because you're trying to manage 14 or 15 projects and keep all the wheels on the bus and so on and so forth. So it's really making that space to genuinely listen to that employee and find out what's important to him or her.

I had a leader who used to do what she called "Java with Janine." And she would take us to a local coffee place, and we would have 90 minutes of her undivided attention. She'd buy us coffee of our choice, and we would talk about our development. We'd get feedback. We'd talk about strengths, opportunities, and what we were going to do about those things.

So I think if you can make that space, take people off-site for a little while, allow more time than you normally would for a regular one-on-one meeting, and just really take that time where you can get to hear them and find out what's going on for them personally, what do they want professionally and what can you do to support them in those goals.

Take the time to listen to what motivates your employees – doing so will help you to better understand how to support their career development.

Robin Jarvis

Senior Manager , Leadership Development, H-E-B Groceries

Robin Jarvis is the Senior Manager for the Leadership Development team at H-E-B, a Texas-based retail organization. Robin is responsible for the leadership development curricula, talent pipeline programs, H-E-B's assessment suite, and the internal scholarship program.

Robin joined H-E-B in 2008 after 9 years with Dell, where she held several roles in Human Resources including HR Generalist, Talent Acquisition Senior Manager, and multiple positions in Learning and Development.

She was also previously a Senior Performance Consultant in the Training and Development department at SEMATECH, Inc., where she was responsible for the development of a nationally recognized new-hire orientation program as well as the development of a global business skills curriculum.

Robin has a Bachelor of Arts in English and political science from Monmouth College.

Key Idea: Provide appropriate challenges

Key Idea

Providing the A players on your team appropriate challenges does not necessarily require promoting them. Instead, the opportunity to accelerate a top employee's development may take the form of redefining or expanding a current role. The key is to have them perform tasks they do not already know how to do—or don't yet do well. You can keep these individuals engaged and growing by increasing their responsibilities and stretching the boundaries of their current jobs.

Ideally, you will be able to match your star performers with assignments that both interest and challenge them. Keep in mind that job enrichment opportunities often exist outside the boundaries of your unit or group—and as a manager, you are in a better position to seek these opportunities out. Work with human resources or within your own organizational network to identify special assignments, teams, or other opportunities within the company.

Consider the following learning experiences:

- **Ask your top performers to start new projects from scratch.** For example, request that a top performer develop and launch a new product or head up a new initiative or team.
- **Give high-potential employees the opportunities to fix businesses or products in trouble.** For example, task each of them with improving the bottom line of a new service or marketing a failed product to a new demographic.
- **Provide A players job rotations in different work environments.** For example, assign a marketing manager to do a sales rotation, or a logistics person to do a short-term stint in the international group.
- **Assign your best performers high-profile special project assignments.** These projects, which should have very clear objectives and a short duration, offer employees the chance to practice targeted problem solving, work in cross-functional teams, and be exposed to senior executives. Project-based assignments also offer the added benefit of flexibility. Often, participants can work on such projects part-time, so they would not have to give up their current duties.

You should be prepared to provide your A players with adequate support to meet these challenges, whether through active coaching, mentoring, or a review-and-feedback process.

New challenges keep your A players engaged and motivated. What types of challenges work best?

Provide mentors for A players

Some organizations have established mentoring programs for high-potential employees. These programs pair individuals with experts who are willing to guide them in meeting certain work challenges and in defining a career path. If your organization doesn't have such a program, consider establishing an informal one for your top employees.

Finding appropriate mentors for your best performers need not be an arduous task. Mentors do not necessarily have to be a part of your group or business unit. In fact, mentors outside the organization may have broader perspectives.

For the high-potential individual, having a mentor can be critical. Mentors know how to motivate employees by providing recognition for specific achievements. Beyond just offering encouragement, however, mentors can help employees:

- Clarify their career options
- Better understand the organization and navigate its politics
- Build support networks
- Deal with work obstacles

Skilled mentors help employees do their jobs better. In a recent survey of individuals who cited that they had a good mentoring experience, 97% said that the experience contributed directly to their success at the company.

Manage your talent

“Ability is of little account without opportunity.”
–Napoleon Bonaparte

It's prudent for managers to take these additional steps to help manage their talent pool:

- **Strive to enhance collaboration among talented people in your organization.** Since people often stay in organizations because they enjoy the company of like-minded colleagues, invest in bringing talented people together. This can be done informally through social networking opportunities, or more formally through special task forces or work groups.
- **Look for signs of burnout.** Highly motivated employees are often prone to overwork. Examine your actions: Is it possible that you are overloading your star performers? Act on this quickly, or you face losing your best employees.

Understand your corporate backbone



It's easy to recognize the employees in your organization who bring in the biggest revenues or win awards. But there are others that are also important: those who consistently meet expectations but are not standout performers. While these people may not seek the limelight, it's still critical for managers to recognize, value, and grow these employees.

These steady, reliable performers are your corporate backbone; they keep your organization going, day by day. These employees are valuable to your organization because they often:

- **Have a deep understanding of an organization's history and processes.** They have strong institutional memory of what has worked—and what hasn't. These people are frequently comfortable in their jobs and are likely to want to stay in them.
- **Adapt to large-scale organizational change more easily than many A players because they are less threatened by it.** They can help other people through the trauma of change by providing

focus and reassurance.

- **Were former superstars who left the fast track for a variety of reasons, such as establishing more work/life balance.** Therefore, they may have the skills needed to take on more responsibility during crises.

To retain these core contributors, it's important to develop them in ways that best match their competencies, potential, and desires.

Key Idea: Develop solid contributors

Key Idea

To develop solid contributors, begin the same way you would with your stars: seek to understand their most passionate business interests, deepest work values, and strongest skills. Find out what direction they'd like their career to take.

Don't be surprised if members of this group are not eager—or able—to advance in the organization. Don't push them, but allow them the freedom to stay where they are. Periodically check in with these employees to find out if they are interested in career advancement. You might also "test" individuals in this group to find out if greater accomplishment is possible. You may find that some of these B players may be capable of becoming stars if given the right developmental opportunities and encouragement.

Identify employees that have growth potential and provide them with "stretch" assignments. The best assignments are those that offer employees challenges that encourage them to learn new skills and acquire new knowledge. Match employees to these assignments carefully to ensure that they are not overwhelmed.

Some solid contributors may also benefit from coaching. By entering into coaching partnerships, you share your knowledge and experience as a manager to help maximize employees' potential and help them achieve agreed-upon goals. This ongoing, two-way process relies on collaboration and requires a positive emotional bond between coach and coachee.

Also consider encouraging motivated employees to enhance specific job or life skills through training. Learning can take many forms, including: sessions provided by internal human resources staff, seminars by experts in a particular field, college or university courses, as well as online or distance-learning classes.

B players are also good candidates for lateral movements. Giving these employees new experiences, through job rotations or "sideways promotions," can help keep them energized and productive.

Some managers make the mistake of thinking only top performers need new challenges. But solid contributors need opportunities for growth too.

Provide frequent affirmation

Make a deliberate effort to let these "supporting actors" of the corporate world know that they are important and that their contributions are recognized. For example:

- **Tell them they are valued.** Show that you have a genuine interest in them by letting them know how important they are to your organization.
- **Listen to their ideas.** When they have a suggestion, listen carefully. Take the time to respond thoughtfully and respectfully. If you act on a suggestion, be sure to give them credit.
- **Praise their accomplishments.** Be conscious of the aspects of their jobs that they are particularly good at. Tell them—and others—how much you appreciate their unique talents.
- **Trust them.** Show them that they have your confidence by allowing them to take actions and make decisions that are appropriate for their skill level.

Above all, accept them for who they are: solid performers upon whom your organization relies. Make a point of discovering who among them has the motivation and capability to grow to positions with greater responsibility. Groom these people as you would A players by allocating them developmental resources and opportunities. But also respect those B players who are content where they are.

The return on management ratio



Developing employees can be time-intensive. Matching direct reports' interests, values, and skills to growth opportunities requires energy and careful consideration. How can you optimize the time spent on this activity? By understanding who on your team should be developed—and who requires performance improvement.

To understand how successful managers allocate their employee development time, it's helpful to consider the Return on Management, or ROM, of developing your direct reports.

ROM can be expressed as the following equation:

Robert L. Simons and Antonio Davila. "How High Is Your Return on Management?" *Harvard Business Review* OnPoint Enhanced Edition. Boston: Harvard Business School Publishing, April 2005.

This ratio—which is more of a metaphor than an exact calculation—provides a framework for evaluating your strategic focus on daily tasks. Is your energy invested in activities that best contribute to your organization's productivity and overall performance? If not, you are likely not spending your time on the "right" opportunities and challenges.

In the case of developing employees, the ROM ratio suggests that managers spend the most time working with the people that contribute the most and add the most value to the organization. This group would consist of both star performers and solid contributors. Based on such an assessment, the

third group, your low-potential, low-performing employees (or C players), would merit the least management time and energy because they benefit the organization the least.

The first step: identify your C players

While the ROM ratio indicates that those who deliver mediocre performance and lack initiative deserve the least attention, you cannot ignore them. Instead, you must take the time up front to identify who the C players are, and then take decisive action.

Failing to address your low-performing employees can have a detrimental effect on the organization's performance. These individuals often:

- Stand in the way of the advancement of more talented employees
- Hire other C players, which lowers the performance bar across the board
- Tend to be poor role models who encourage a low-performer mentality among their peers and direct reports
- Engender a culture of mediocrity which repels highly talented and ambitious people

Once you've differentiated these employees, you must decide how you will address them. Then, it's best to act decisively—but with respect.

The second step: move them up—or out

Generally speaking, the strategy for addressing C players centers on performance. The first step is to try to move them up to an acceptable performance level. To do this, managers must:

- Provide them with clearly defined goals.
- Create a prescribed path and timeline for achieving those goals.
- Be explicit about the ways in which they must improve.
- Be willing to coach and provide candid feedback.

However, some employees may be unable—or unwilling—to improve their performance. The best course of action for these individuals is to move them out of their current jobs. This may mean trying to find them a different position in your organization where they may be more successful, or dismissing them from the company.

Dismissing C players

Before dismissing an employee, you'll want to be sure that dismissing the person is the right thing to do, or if you have any other recourse. If you have exhausted your options, make sure you have the correct documentation both of the employee's performance or behavior problems and the steps you've taken to help him or her improve. Finally, you'll also want to consult with your legal and human resources departments regarding the dismissal regulations unique to your situation.

Dismissing an employee is often a painful process. It is helpful to keep in mind your ultimate goal in taking this action: to strengthen your talent pool in order to increase business performance. Your first allegiance must be to your organization, not to an individual. If C players remain under your supervision, you are compromising your company's performance.

Also remember that letting employees languish in a job where they are not respected by their direct reports and peers only hurts them. Moving them out is not only good for your organization, but good for the employee as well.

Activity: Work with a C player

Working with underperformers isn't easy. How do you handle your C players?

You head up your company's sales force, and much of your time is dedicated to employee development. You take a look at your calendar at the end of the month and see that you have spent about 50% of your time addressing the problems of underperforming members of your staff.

Should you spend more or less time doing this next month?

☐ More

Not the best choice. The return on management ratio shows that a much better investment of your managerial time is to focus on continued development of your top players and solid contributors. While you should not neglect your underperforming team members, you should not dedicate the largest chunk of your time working with them.

☐ Less

Correct choice. The return on management ratio shows that a much better investment of your managerial time is to focus on continued development of your top players and solid contributors.

Three members of your team are currently underperforming. The first, Angela, is a young, earnest member of the team who lacks polish with customers and consequently, loses many prospective sales. The second, Grant, used to be a star performer, but has been losing sales recently. You attribute this change to changes you've heard he is experiencing in his personal life. The third, Harlan, has partial responsibility for training new sales team members. He used to be a solid contributor, but about a year ago, he started doing only the bare minimum necessary for his job.

Which of your team members' problems should you address first?

☐ Angela's

Not the best choice. Angela is going through some of the expected difficulties for a new member of the team. You will need to create clear goals for improvement with her, but right now she is not having a significant negative impact on the rest of the team.

☐ Grant's

Not the best choice. Once in a while, even the best employee's work is adversely affected by personal problems. While you cannot allow personal problems to become a continual excuse for poor performance, in this case Grant's situation is not the one that most needs to be addressed.

☐ Harlan's

Correct choice. Harlan's poor work performance seems to be a result of his personal choice to put in less effort. Additionally, he is in a position where he has to interact professionally with other team members. He has the potential, in this position, to adversely affect the attitude and work ethic of other employees. You should take quick action to prevent this from happening.

What would be the best first step for addressing Harlan's poor work performance?

☐ Dismiss him, since it is dangerous to keep an underperformer working in a training position

Not the best choice. Harlan used to be a good worker, and you should at least try to see if he can be brought back up to his previous level.

☐ Set up a meeting with him

Correct choice. Since Harlan used to be a good worker, it is possible that he might be brought back up to his previous level of performance. You may have recourse other than dismissing him. Consult with him to explore his reasons for under-performing.

☐ Develop a plan for him to get back to his previous level of work performance

Not the best choice. Before spending time developing a plan for Harlan's improvement, you need to make sure this time will be well spent.

Prepare for the discussion



You've used a Performance and Potential Grid or similar tool to determine who on your team are the top employees and solid contributors—the people you want to develop. The next step is to work with them to create development plans to help them grow. To be able to create such a plan, you'll need to conduct a career development discussion.

Whether you are trying to decide on a challenging special project or gauge an appropriate stretch assignment, you'll need to work with the employee in a series of one-on-one conversations.

While the content of these career development conversations will differ based on the employee and his or her performance and potential, you will prepare for each of them in the same way. You'll also want to ask your employees to prepare for the conversations.

Gather data to support the discussion

Start by doing your homework. Use as many sources as possible to try to assemble the most complete picture of your direct report. Look for any documentation you might have on file, including the employee's:

- Past developmental plans
- Individual self-appraisals, if they exist
- Performance reviews
- History of training or courses attended

Assess your preparedness

Next you'll want to clarify how ready you are to conduct a career development discussion. You should be able to answer the following questions adequately:

- **What are the employee's skills?** Describe your employee's abilities and the knowledge that she or he has developed. These skills fall into many categories, from leadership to management to analytical abilities.
- **What are the employee's interests and values?** What is most important to your employee in terms of managing his or her work and personal life? What provides meaning in the work the employee does? To answer these questions accurately, you may need to ask the person directly, or work with them using career management tools.
- **What opportunities are available to the employee?** What tasks or assignments offer challenges that would encourage the employee to build his or her skills and acquire new knowledge? What other job functions might be appropriate given their transferable skills?

If you can't answer these questions, do more research before having your development conversation. If you haven't spent the time to uncover an employee's skills, interests, and values, or sought the opportunities in your organization to match them, the development discussion may be unproductive and even frustrating for the employee.

Activity: Are you prepared to discuss career development?

Career development discussions require careful planning. Take time up front to ensure that you conduct them effectively.

You've scheduled a meeting with Vanessa, one of your employees, to discuss her career development. According to your analysis of her performance and potential, Vanessa is a solid contributor. To prepare for the meeting, you've gathered a variety of information.

Specifically, you've retrieved Vanessa's most recent performance review, you've listed her abilities, and you've considered possible stretch assignments that might encourage her to build

on her skills. You've also asked Vanessa how she views her own performance and developmental needs and which development opportunities she has taken.

What else should you do, that you haven't already done, to prepare yourself for the upcoming meeting with Vanessa? Should you ...

Gather all her previous performance reviews?

☐ Yes

Correct choice. Vanessa's most recent performance is not sufficient in itself. You should also gather any earlier reviews that exist.

☐ No

Not the best choice. Vanessa's most recent performance is not sufficient in itself. You should also gather any earlier reviews that exist.

Draft Vanessa's development plan in advance?

☐ Yes

Not the best choice. Use your meeting with Vanessa to discuss ideas for her development plan. A development plan should be the result of a collaborative effort between you and your direct report, so should not be created in advance.

☐ No

Correct choice. Use your meeting with Vanessa to discuss ideas for her development plan. A development plan should be the result of a collaborative effort between you and your direct report, so should not be created in advance.

Gather any past developmental plans?

☐ Yes

Correct choice. Previous developmental plans will help you assemble the most complete picture of Vanessa as possible.

☐ No

Not the best choice. Previous developmental plans will help you assemble the most complete picture of Vanessa as possible.

Document specific knowledge Vanessa has acquired in the course of her work?

☐ Yes

Correct choice. Though you've listed Vanessa's skills (abilities), you haven't made notes about the knowledge that she has acquired.

☐ No

Not the best choice. Though you've listed Vanessa's skills (abilities), you haven't made notes about the knowledge that she has acquired.

Ask Vanessa about her interests and values?

☐ Yes

Correct choice. It will be helpful to go into the meeting understanding what's most important to Vanessa in terms of achieving a work/life balance and finding meaning in her work.

☐ No

Not the best choice. It will be helpful to go into the meeting understanding what's most important to Vanessa in terms of achieving a work/life balance and finding meaning in her work.

Trust is critical

An effective career development discussion requires more than preparation; it also requires having the employee's trust. If you have not secured their trust, they may question that you are able to offer honest advice untainted by an agenda.

Work hard to gain your employees' trust by:

- Being reliable
- Speaking authentically
- Listening for understanding
- Making and keeping your commitments

Without trust, employees will likely be guarded during the career development discussion, resulting in a superficial and often ineffective conversation.

Conduct the discussion

When you begin the meeting, reiterate the purpose and importance of the discussion. Take some time to help the employee understand that you are interested in his or her success.

Make sure your direct report understands that he or she is responsible for working with you to create a developmental plan—and for sticking to it.

Next, share your perceptions about the employee's skills, interests, and values. Verify the accuracy of these assumptions and gather more information by asking pointed questions. Listen actively to his or her answers.

Talk about the opportunities you've identified. Discuss the options—and limitations—within the employee's current job and the organization as a whole as they relate to the employee's skills, interests, and values. Don't create false expectations for promotions or other opportunities that may not materialize.

Key Idea: Define a development plan

Once you've reached agreement on the employee's skills, interests, and values, you are ready to draft a development plan. The development plan you create with your employee should contain the following information:

- Specific goals, along with a timeline for achieving them
- Action steps, which may include:
 - Training
 - Coaching
 - Challenging work assignments

Since the career development discussion is collaborative, it will likely take more than one meeting to perfect a development plan. Once a plan has been completed, seek the employee's commitment to achieve the goals, action steps, and timelines set forth in the plan. Remember to establish a follow-up schedule to ensure accountability.

Follow up

Follow up with the employee to monitor his or her progress on a regular basis. Scheduling periodic check-ins with the employee will help you determine if he or she needs additional training, coaching, or support. Likewise, it will ensure that you are following through on your own commitment to the development process.

Leadership Insight: Employee action plans

I was working with a young lady in Asia, and she had been through several of our training programs. She had a 360 assessment, and we'd spent a significant amount of time working on personal development plans, individual development plans. And technically, she was highly proficient as both a manager and a leader. She did a really great job.

She was very authentic — she was very genuine. But over the course of this six-month engagement, I noticed that she was really missing some opportunities to manage her own career. Part of the issue was that her boss left such a huge footprint, had such a tremendous impact on the organization, that this person's contributions were often overlooked or overshadowed by the boss.

And so we began an individual development plan for her of looking for ways to increase her visibility in the organization, looking for ways to increase her network, not only in Hong Kong but all across the region. Luckily, she manages people throughout Southeast Asia, Australia, and India. And so we put together a very relevant development plan for her.

And at the end of this engagement, at the end of six months, we went back and we re-reviewed the 360. We looked at the action plans and the things that she had done as a result of her development plan. And she had taken the initiative to speak at local boards, to participate in other organizations outside of our own organization.

And what she said back to me as the feedback from the coaching engagement was that not only did she increase the size of her network, she also increased the size of her net worth. And I thought that was a huge compliment, not only to the work that we'd done together but to the initiative that she had taken personally to grow and develop her career.

In order to fully flesh out her plan, I think one of the most important things that we did was we identified the stakeholders in her success, one of those being her manager, as well as support in the region from other people who had a vested interest in her success — so, her peer group and her direct reports. So that was really important, to have them all engaged in her personal and professional development.

I think another thing that was important was that we established some significant and definitive check-in times. So she had a 30-, 60-, 90-day plan, and then we had a 180-day plan. So at the end of 180 days, six months, she could look back over the course of what she had done differently, what she had changed, and she was able to apply some units of measure to her success.

I think that served to not only increase her level of skill and competency, but it also gave her increased confidence to be able to take the next step and go to the next level each time.

Creating an individual development plan with established check-ins can help develop and grow an employee's career.

Alan Brewer

Director of Executive Development and Global Learning, Turner Broadcasting

Alan Brewer is the Director of Executive Development and Global Learning for Turner Broadcasting System, Inc. He is responsible for the conception, development, and execution of global learning strategies for Europe, the Middle East, and Africa (EMEA); Australia, India and Asia (AsiaPac); and the Americas. He has been instrumental in combining performance management, talent management, succession planning, and talent review with Time Warner People Development initiatives and Turner's Executive Development Programs.

In addition to multiple certifications and professional designations, Alan holds a Bachelor of Arts in communications and a master's degree in management, both from Mercer University.

Overview

This section provides interactive exercises so you can practice what you've learned. These exercises are self-checks only; your answers will not be used to evaluate your performance in the topic.

Scenario

Assume the role of a manager in a fictional situation and explore different outcomes based on your choices (5-10 minutes).

Check Your Knowledge

Assess your understanding of key points by completing a 10-question quiz (10 minutes).

Scenario: Part 1

Part 1

Luke was recently recruited to head up the customer service group at Robbco Manufacturing. After three months, Luke is comfortable with his three direct reports, Cecilia, Peter, and Jill, and feels he knows their strengths and weaknesses on the job. He recognizes that one of his key responsibilities as a manager is to develop his employees, and is ready to make this a priority.

He begins by gathering as much supporting data as he can on each of his employees—including past performance reviews, individual self-appraisals, and any development plans the employees might have created. Luke then has lunch with each of his employees informally to discuss their business interests and values and to get a better picture of what they find appealing and important. During these conversations, Luke learns that his top employee, Cecilia, would like to get more involved in developing corporate policy.

Which of the following is Luke's best next step?

- [Schedule a performance appraisal session with each employee](#)

Not the best choice.

Conducting formal performance appraisal sessions would not be the best next step for Luke. While performance evaluation and employee development form part of an organization's overall performance management system, evaluation and development address different concerns and are best kept separate, if possible. Further, performance appraisals usually are conducted on a specific schedule, not on an ad-hoc basis. To create development plans, Luke started well by gathering information and meeting with his employees. Now, he should look for opportunities that would allow his direct reports to use or develop their skills, pursue their interests, and support their values. Because Luke is new to the organization, contacting human resources for ideas about possible opportunities would be a good next step.

- [Schedule a formal career development discussion with each employee](#)

Not the best choice.

While scheduling a formal career development discussion is a critical step in the process of developing employees, it is not Luke's best course of action at this stage. To have a productive discussion, it's important that Luke be fully prepared. Since Luke has already gathered information about his employees' skills, interests, and values, his next step should be to look for opportunities that would match them. Luke should consider both opportunities to refine his employees' current roles and projects or roles outside his group. Luke might talk with colleagues in other parts of the organization to explore potential growth opportunities. It's a good idea for Luke to start by meeting with human resources since he is new to the organization.

- [Schedule a meeting with human resources to discuss specific opportunities for developing his employees](#)

Correct choice.

Before scheduling a formal career development discussion with each employee, it is imperative that Luke be adequately prepared. Since Luke has taken the time to determine his direct reports' strongest skills, and asked them to articulate their business interests and work values, his next step should be to determine what opportunities (such as new tasks or roles) exist in the organization that would allow his direct reports to use or develop their skills, express their interests, and support their values. After considering what he might be able to do to refine their current roles, Luke might want to talk with colleagues in other parts of the organization about other potential growth opportunities for his direct reports. Since Luke is new to the organization, human resources would be an ideal place to start his exploration.

Scenario: Part 2

Part 2

The following Monday, Luke speaks with his colleague in human resources, Marina, and informs her of Cecilia's interests. He learns that Marina is leading a cross-functional task force on company morale that's convening on Thursday—and she thinks Cecilia would be a good addition to the team.

Luke is excited about this opportunity and wants to communicate it right away. Since he will be out of the office after 11:00 a.m. the following day, he schedules his career development discussion with Cecilia for the next morning at 9:00.

He arrives in the office at 8:30 on Tuesday morning and is surprised to find that Jill has not yet arrived; she was assigned to cover the phones for the rest of the team starting at 8:30. Annoyed, Luke covers the phones himself. When Jill arrives a half hour late, she briefly

apologizes for being late. Luke is concerned. According to his documentation, Jill has missed early call duty three times since he's come on board.

What should Luke do about Jill?

- Postpone his meeting with Cecilia to Wednesday so he can meet with Jill immediately to discuss the fact that she's missed early call duty three times in three months

Not the best choice.

While dealing with an employee's performance issues may seem urgent in the aftermath of an incident, it is not Luke's best course of action. He should meet with Jill to discuss her performance issues, but the meeting can wait until Wednesday morning. Waiting would not only give him more time to prepare but would also acknowledge his commitment to developing his top employees. In addition, if Luke postpones his meeting with Cecilia, he would likely disappoint her, which may lead to mistrust. The building blocks of trust must be in place for Luke to have productive career development discussions with his direct reports.

- Meet with Cecilia as planned and schedule a meeting with Jill on Wednesday morning

Correct choice.

Luke should meet with Jill to discuss her performance issues in a timely fashion—but the meeting could wait until Wednesday morning. Waiting to meet would not only give Luke more time to prepare, but would also acknowledge his commitment to developing his top employees. Luke is wise to concentrate his time and efforts on developing A players—those who are the most productive and contribute the most to the company. Taking such an action maximizes the return on management (ROM) ratio: productive energy released divided by management time and energy invested. When Luke does meet with Jill, an underperformer, he should make it clear that the meeting is about addressing her performance issues, not about career development.

- Give Jill the "benefit of the doubt" and wait until she has been late at least one more time before scheduling a meeting to discuss performance issues

Not the best choice.

While addressing an employee's performance issues may not be Luke's preferred activity, he needs to address them decisively, in a timely manner. He should meet with Jill at the next free opportunity—Wednesday morning—to discuss her performance

issues. If he doesn't address her tardiness, he not only leaves her with a false sense that "everything is OK," but also brings down the performance of the group since they have to cover for her, which may also lead to decreased morale.

Scenario: Part 3

Part 3

Luke meets with Cecilia to discuss her development plan and growth opportunities, which she eagerly accepts. On Wednesday, he meets with Jill to let her know that he's documented that she's missed early call duty three times in the past three months. When Luke explains the negative effect her actions have had on the team and asks for her input, Jill offers no explanation. Luke then emphasizes his expectation that she should be ready to cover the phones on designated days at 8:30. He also warns that if she is unable to change her behaviors, they will have to develop a performance improvement plan together.

Luke is puzzled about how to address the development of his final direct report, Peter. Peter is a solid contributor and has been on the team for 10 years—he is reliable, organized, and develops good rapport with customers. When Luke had lunch with Peter, he probed Peter's core business interests and values. Peter said that he liked his job, especially since he knew the routine so well he had the time and energy to pursue his favorite activity: spending time with his young children.

What should Luke do about Peter?

- [Schedule a career development discussion meeting to ask Peter to take a training course that would allow him to take his customer service skills to the next level](#)

Not the best choice.

Peter appears to have strong customer service skills, so does not necessarily need to improve upon them. Further, Peter has not expressed desire to move into a role of greater responsibility. In fact, investing time and energy into a challenging new experience may be in direct opposition to his articulated value of work/life balance. It is often tempting for managers to impose their own desire for advancement on B players (those who consistently meet performance expectations without being standouts). Luke must keep in mind that while Peter may not be eager to take on career-broadening opportunities, he is a solid performer that Robbco relies upon to achieve business results. As such, Luke should work to retain him by recognizing him and affirming his contribution.

- [Nothing more, since he is performing adequately and seems content in his position](#)

Not the best choice.

It is often tempting for managers to ignore those who are performing well but do not aspire to move up in the company. Although Peter seems satisfied with his job, it is still important for Luke to check in with him periodically to discuss his career development. Peter may not desire to move into a role of greater responsibility at this time, but this may change, for example, when his children grow older. Since Peter may have potential, it is important for Luke to guide his career by helping him find growth opportunities if he wants them.

- Meet with Peter to let him know that he appreciates his contribution to the company and praise his contributions to date

Correct choice.

Peter is a classic B player—he consistently meets performance expectations without being a standout. As such, it is important that he be recognized for who he is: a solid performer that Robbco relies upon to achieve business results. Peter has not expressed desire to move into a role of greater responsibility at this time, but this may change, for example, when his children grow older. Since Peter may have potential, it is important for Luke to check in with him periodically to provide affirmation and check for changes in his career aspirations.

Scenario: Conclusion

Conclusion

Luke meets with Peter and affirms his contribution to the company. Luke also lets Peter know that should he ever want to explore any new roles, Luke would be eager to work with him to find an appropriate opportunity.

Even as a new manager at Robbco, Luke has made developing his employees a priority. He effectively planned for and conducted appropriate individual development discussions with each of his employees. He was able to provide developmental opportunities for a top player and address performance issues with an employee who was not meeting expectations. Luke also acknowledged the value of a solid contributor, Peter, and indicated his willingness to work with him to find a suitable growth opportunity should he be interested.

Employee development is critical to an organization's success. Luke's commitment to managing the careers of his direct reports will help Robbco retain and grow employees in order to achieve long-term business results.

Activity: Check Your Knowledge: Question 1

Why is it valuable to differentiate your employees in terms of performance and potential?

- So you can identify which members of your team should be developed, and which require performance improvement

Correct choice.

Differentiating employees helps you identify who on the team should be developed, namely your top and solid performers. Developing employees can be time-consuming, so you'll want to optimize the amount of time you spend on this activity. The Return on Management (ROM) ratio suggests that you spend the *most* time working with the people who will contribute the most to your organization. Determining who your top and solid contributors are will help you focus your energy and time on them.

- So you can identify underachievers and dedicate more time to helping them to reach their full potential

Not the best choice.

Differentiating employees does help you identify who on the team is underperforming. But you shouldn't be focusing on developing underperformers. Instead, you need to concentrate your time and energy on developing top performers and solid contributors. These employees are most valuable to your organization and therefore warrant the majority of your time. The time you do spend with your underperformers should be focused on performance. Specifically, you should establish clear expectations for how you expect them to improve their performance and explain the potential consequences if they fail to do so.

- So you can identify top performers and focus your development time on increasing their skills—and keeping them happy

Not the best choice.

While differentiating employees helps you identify top performers, you don't want to focus *all* your energy on developing and retaining them. Both top performers *and* solid contributors are good candidates for development and retention. A common mistake managers make is to focus their efforts on just the best and worst performers, thereby neglecting the developmental needs of solid contributors. This approach can alienate competent employees who are critical to your organization's success.

Check Your Knowledge: Question 2

What is the Return on Management ratio?

- A calculation to help you identify which employees are underperforming

Not the best choice.

The Return on Management (ROM) ratio does not help you identify underperformers. Instead, it provides managers a means of assessing whether they are investing time and energy in activities

that best contribute to their organization's productivity and overall performance. In the case of developing employees, the ROM ratio suggests that managers spend the most time working with the people who contribute the most and add the most value to the organization.

- [A framework for evaluating your strategic focus on daily tasks](#)

Correct choice.

The Return on Management (ROM) ratio provides a way for managers to assess whether they are investing time and energy in activities that best contribute to their organization's productivity and overall performance. This ratio is useful for all management activities. In the case of developing employees, the ROM ratio suggests that managers spend the most time working with the people who contribute the most and add the most value to the organization.

- [A metaphor for differentiating employees](#)

Not the best choice.

The Return on Management (ROM) ratio is not a metaphor for differentiating among employees. Instead, it is a way to evaluate strategic focus on daily management tasks. The ROM ratio provides managers a means of assessing whether they are investing time and energy in activities that best contribute to their organization's productivity and overall performance. In the case of developing employees, the ROM ratio suggests that managers spend the most time working with the people who contribute the most and add the most value to the organization.

Check Your Knowledge: Question 3

One of your direct reports has not been meeting performance goals for the past two weeks. You've already had a brief conversation with her about this, but she still hasn't improved. Now, you are concerned that her poor work habits are bringing the rest of your group down. What should you do?

- [Meet with her to prepare an individual development plan to identify projects that could help her improve her skills and her job satisfaction](#)

Not the best choice.

Individual development plans are best for top and solid performers. If an employee is not meeting performance expectations, don't spend time on development conversations. Instead, focus on performance improvement. Meet with the employee to establish clear goals with specific timelines—and explain the potential consequences if the individual does not achieve them. Also, try to find out exactly why the employee isn't performing well. For instance, is he or she confused about job expectations? Clarify those expectations. Or, is the employee capable but unmotivated by his or her current position? A job in a different part of the organization might be more interesting. Explore a variety of options as part of addressing the employee's performance—not development—issues.

- [Continue to document specific instances of her poor performance and watch to see if it continues for at least two more weeks](#)

Not the best choice.

You shouldn't put off dealing with underperformers. Sit down with the underperforming employee to discuss his or her performance issues. Such conversations should not focus on development, but instead on performance improvement. Clearly outline your expectations and explore whether the employee is in the job that best suits him or her. Even as you focus on trying to improve performance, document performance issues as they occur. If the employee is unable—or unwilling—to improve performance, you may have to consider more formal action. When the time comes to take that action, you'll be able to show the steps you took to address the employee's performance issues.

- **Meet with her to outline her performance expectations and establish a timeline for improvement**

Correct choice.

Once you identify a poor performer, the first step is to try to move him or her up to an acceptable performance level. To do this, you'll want to provide clearly defined goals with specific timelines for achieving them. Sit down with the underperforming employee to discuss his or her performance issues. Be sure to let the employee know that you are willing to provide coaching and candid feedback to assist him or her in meeting performance expectations.

Check Your Knowledge: Question 4

Which of the following is *not* a good way to develop competent—but not exceptional—employees?

- **Avoid giving them stretch opportunities because they are most likely content in their current position**

Correct choice.

While some solid contributors are not eager to advance within your organization, you shouldn't assume that they are all content in their current roles. The first step is to understand their interests, values, and skills. Find out what direction they'd like their career to take. Stretch assignments combined with coaching or mentoring may be exactly what some of these employees need to feel motivated to achieve greater results. But match employees to these assignments carefully, to ensure that you don't overwhelm them.

- **Focus on coaching these employees to help them maximize their potential**

Not the best choice.

Coaching *is* a good way to help competent employees maximize their potential and achieve agreed-upon goals. Start by understanding these employees' interests and skills. Then, develop a plan for how you can help match them to appropriate assignments. Share your knowledge and experience as a way to help solid performers achieve their goals and grow professionally.

- **Demonstrate your trust by allowing them to take actions and make decisions that are appropriate for their skill level**

Not the best choice.

Allowing solid performers to take actions and make decisions appropriate for their skill level *is* a good way to help them maximize their potential and achieve goals. That's because these actions

let competent employees know that they have your confidence. Giving them some autonomy is a great way to show your trust. Just make sure that the level of responsibility you delegate is commensurate with such employees' abilities and desires.

Check Your Knowledge: Question 5

Which of the following is a manager's role in developing employees?

- Taking responsibility for getting your top performers new positions if they want them

Not the best choice.

While you want to help your top performers identify opportunities for growth—which may include new positions within or outside of your organization—it is the employee's responsibility to secure a new position. You can certainly assist in the process, but don't assume ownership of the task. Instead, focus on guiding your employee by matching his or her skills, interests, and values with opportunities within your department. Be honest with the employee about the possibility of advancement within your group, and provide support if he or she decides to look for work elsewhere in the organization.

- Finding mentors for all of your solid performers

Not the best choice.

Matching direct reports with mentors is one way to help an employee develop. However, this approach is not appropriate for all of your competent employees. First, it would likely be very difficult to find good mentors for all of them. If mentors are responsible for too many individuals, they won't likely have much time to help any one person solve a problem or think about career options. Second, some competent employees are not interested in entering into a mentoring partnership. Different employees have different needs. Respect these differences by developing individual approaches for each of your employees, not using one strategy for an entire group.

- Matching your solid and high performers' interests with opportunities.

Correct choice.

Effective employee development depends on your ability to match an individual's core interests, work values, and skills with appropriate growth opportunities. Ideally, these opportunities would map to organizational needs. Though you are responsible for guiding your employees, they must own the process of managing their careers.

Check Your Knowledge: Question 6

Which of the following is an "intrinsic" motivator?

- Opportunities for growth and learning

Correct choice.

Intrinsic motivation relies on factors that are related to job content. In addition to opportunities for growth and learning, intrinsic motivators include on-the-job achievement, positive feedback, and a sense of responsibility for the work an employee is doing.

- [Salary and other forms of compensation](#)

Not the best choice.

Salary and other forms of compensation are "extrinsic" motivators, aspects of a job that are related to job environment, not the content of the job itself. In the past, managers often focused on these factors as a way to motivate and retain employees. Today, successful managers understand that these factors provide only a short-term means of motivation. They recognize that appealing to people's inner drives with "intrinsic" motivators, such as opportunities for growth and learning, can achieve better results.

- [Status](#)

Not the best choice.

Status is an "extrinsic" motivator—it relates more to the job environment than the actual content of the employee's job. In the past, managers often focused on extrinsic factors to motivate and retain employees. Today, successful managers understand that these factors provide only a short-term means of motivation. They recognize that appealing to people's inner drives with "intrinsic" motivators, such as opportunities for growth and learning, can achieve better results.

Check Your Knowledge: Question 7

Which of the following statements is true about a development discussion?

- [You'll prepare for each career development discussion in a similar way.](#)

Correct choice.

While the content of your career development conversations will differ depending on the employee and his or her performance and potential, you will prepare for each discussion in the same way. Start by gathering data to support the discussion. Then, clarify how ready you are to conduct the conversation by making sure you have a grasp of the employee's skills, interests, and values. Also, list potential opportunities that match these skills, interests, and values.

- [You should bring a completed individual development plan for your employee to your discussion.](#)

Not the best choice.

You'll want to create an individual development plan for each of your employees *after* you have a career development conversation—not before. These discussions are just that—discussions, not presentations. You want to encourage back-and-forth dialogue with your employee. You also want to explore the employee's interests and goals and ask for input on types of projects he or she would find interesting and challenging. If you draft a complete plan before you meet your

meeting, you may not receive information that could guide the employee toward the opportunities that best meet his or her needs.

- You should start the discussion by sharing your perception of the employee's skills and interests.

Not the best choice.

Before you launch into a presentation of what you perceive to be the employee's interests and skills, you'll want to start by reiterating the purpose and importance of the discussion. Take time to explain that you are interested in his or her success. Make sure to define your role—you want to guide this person's professional development. The employee is responsible for working with you to create an individual development plan and for sticking to that plan.

Check Your Knowledge: Question 8

With which category of employee would you most likely need to watch for signs of burnout?

- Underperformers

Not the best choice.

Top-performing employees are actually the ones most often at risk for burnout. Why? These individuals tend to take on more work than they can reasonably handle. Moreover, managers are more likely to overload star performers than they are other employees—and many high achievers find it difficult to say "no" to more work. If you ask too much of these employees, you risk losing them. Watch for signs of burnout and examine your actions regularly: Is it possible that you have overloaded any of your employees? If so, address the situation quickly. For example, find ways to get more resources on a project or encourage a star performers to take a day off or a vacation.

- Solid contributors

Not the best choice.

It is possible for a solid performer to burn out, but more often than not, it is your top employees who are most at risk for taking on too much work. Managers are more likely to overload star performers than they are other employees—and many high achievers find it difficult to say "no" to more work. If you ask too much of these employees, you risk losing them. Watch for signs of burnout and be careful that you aren't consistently assigning any individual more work than he or she can handle.

- Top performers

Correct choice.

While any employee can feel overwhelmed by his or her workload, top-performing employees are most often prone to overwork. In addition, managers are more likely to overload star performers than they are other employees—and many high achievers find it difficult to say "no" to more work. If you ask too much of these employees, you risk losing them. Watch for signs of burnout. And find ways to get more resources on a project or encourage a star performer to take a day off or a vacation.

Check Your Knowledge: Question 9

Which of the following is *not* a good reason to differentiate your employees?

- To determine which of your employees are the "best"—and which are the "worst"

Correct choice.

Differentiation should *not* be a process by which you pass judgment on which employees are the "best" and "worst." Instead, it is a way to determine how to provide your direct reports with appropriate job and growth opportunities. Through differentiating, you identify those employees who can be targeted for development along with those who should instead focus on performance improvement.

- To identify which employees should be developed

Not the best choice.

Identifying which employees should be developed *is* a good reason to differentiate. Differentiating helps you determine not only which direct reports can be targeted for development but which should instead focus on performance improvement. However, differentiating should *not* be used merely to pass judgment on your direct reports and label them as "best" and "worst."

- To decide the types of assignments to give each employee

Not the best choice.

Deciding which assignments to give each employee *is* a good reason to differentiate. Differentiation helps you determine not only which direct reports can be developed through new assignments but also which should focus instead on performance improvement. However, differentiating should *not* be used merely to pass judgment on your direct reports and label them as "best" and "worst."

Check Your Knowledge: Question 10

Which of the following is an example of a question used in the Performance and Potential Grid about an employee's *potential*?

- Is the employee a key contributor to the team and the organization?

Not the best choice.

This question concerns the employee's historical *performance*, not his or her future *potential*. In order to complete the Performance and Potential Grid, a manager must answer two sets of questions: one that assesses an employee's past results (performance), and the other that tries to predict the employee's ability to perform at a higher level in the future (potential). Using a

tool that considers both an employee's performance and potential helps managers determine who their top, competent, and underperforming employees are. It also helps them decide on an appropriate course of action for each employee.

- Does the employee regularly work overtime to complete challenging projects?

Not the best choice.

While an employee's work habits are a general indicator of career success, this question is too specific to be used in a differentiation tool such as the Performance and Potential Grid. More important, this question concerns the employee's historical *performance*, not his or her future *potential*. In order to complete the Performance and Potential Grid, a manager must answer two sets of questions: one assesses an employee's past results (performance), and the other tries to predict the employee's ability to perform at a higher level in the future (potential). Using a tool that considers both an employee's performance and potential helps managers determine who their top, competent, and underperforming employees are. It also helps them decide on an appropriate course of action for each employee.

- Could the employee learn the additional skills and competencies he or she needs to be able to perform at a higher or different level?

Correct choice.

This question addresses the employee's potential—his or her ability to learn the additional skills or competencies necessary to perform at a higher level in the future. In order to complete the Performance and Potential Grid, a manager must answer two sets of questions: one that assesses an employee's past results (performance), and the other that tries to predict the employee's ability to perform at a higher level in the future (potential). Using a tool that considers both an employee's performance and potential helps managers determine who their top, competent, and underperforming employees are. It also helps them decide on an appropriate course of action for each employee.

Check Your Knowledge: Results

Your score:

Steps for preparing for a career development discussion

1. Schedule the meeting.

Tell the employee that you want to have the discussion well in advance of the actual meeting. This gives both parties time to prepare. Be sure to pick a time and location that will minimize distractions.

2. Agree on content.

Clarify the purpose of the meeting: to have an open, honest discussion about the employee's growth and discuss possible opportunity. Ask the employee to prepare for the meeting by thinking about his or her skills, goals, and interests.

3. Gather information on the employee.

Consult several sources, including the employee's past development plans, individual self-appraisals (if they exist), performance reviews, and training history. Talk informally with the employee and other coworkers about his or her skills, interests, and values.

4. Reflect on the employee's skills, interests, and values.

Write down the employee's strengths and weakness. Then, write down what you perceive to be the employee's interests and values. Consider whether you think the employee is likely to want more responsibility. Keep in mind that some solid performers are content to stay in their current roles. As you create a list, develop questions you may want to ask the employee to get a better understanding of his or her interests and goals.

5. Explore the opportunities available to the employee.

Think about what tasks or assignments might offer the employee opportunities to build skills and acquire new knowledge. Talk with other managers, your supervisor, or the human resources department to generate a list of possibilities.

Steps for identifying career development opportunities for your employees

1. Consider the performance and potential of the employee.

Start by differentiating your employees based on performance and potential. You'll want to focus your energy on helping the top and solid performers develop and grow. If an employee is underperforming, you'll want to address performance issues—not development plans—at this point.

2. Review the employee's interests and values.

Consider both the work and personal interests you identified in your preliminary conversations and development discussions.

For example, does the employee enjoy fieldwork? Does he or she prioritize a work/life balance over other interests? Also consider what motivates the employee. Does he or she value change and variety? Is he or she interested in learning about new business units?

3. Make a list of opportunities that match the employee's interests, skills, and potential.

Opportunities can take the form of promotions, new work assignments, lateral transfers, special projects or initiatives, or temporary assignments. They can also include trying a new role on a project, such as leading a conference call or making a presentation to a client.

4. Get input from people outside your group or business unit.

To find out if opportunities outside of your group or business unit exist, consult individuals in the human resources department and/or colleagues in other groups. Ask them for ideas for possible assignments for this employee. Make sure to indicate the types of challenges you think are appropriate based on this employee's skills, interests, and values.

5. Present your ideas to the employee.

Your role as a manager is to guide the employee by helping to match his or her skills, interests and values with opportunities. You'll want to suggest both short-term opportunities and longer-term prospects. However, don't make any promises about long-term options. Instead, focus on immediate options for the employee and suggest what other possibilities might be available in the future.

Steps for having a career development discussion

1. Reiterate the purpose and importance of the discussion.

The purpose of the discussion is to help the employee match his or her interests, skills, and goals with development opportunities. Explain that the discussion should be an honest meeting about the employee's future. It's important that the employee understand your role (helping to identify opportunities) and his or her role (actually owning and following through on the opportunities that are identified).

2. Recognize the employee's contributions.

Congratulate the employee for the contributions he or she made recently. Be specific and tell them how important he or she is to your organization.

3. Share your perceptions about the employee's skills, interests, and values.

Verify your assumptions and gather additional information by asking questions like "What kinds of work are you most passionate about?" "What types of rewards do you find most motivating?" "What do you like most/least about your job?" Make sure to identify any gaps you see in the employee's skill set as well. This will help you work together to identify opportunities to build needed skills.

4. Talk about opportunities.

Tell the employee about the opportunities you have identified. Ask if he or she had identified any other potential roles, tasks, or assignments. Discuss options and limitations within the job and the organization as they relate to the employee's skills, interests, and values. You may want to break this part of the discussion into multiple meetings to give yourself time to identify additional opportunities based on what you learn in the early part of the conversation.

5. Agree on desired outcomes and an individual development plan.

Develop a plan with the employee that includes a timetable and benchmarks so that you both can measure progress.

6. Schedule ongoing follow-up meetings.

This will help ensure that you are both following through on the action plan and meeting expectations.

Tips for building employee trust

- Be open, honest, and direct in all of your communications. When people see you as sincere and committed, they are more likely to believe that you have their best interests in mind.

- Make it a priority to listen to others' concerns to demonstrate your openness to their ideas. Establish an environment where everyone can share their ideas and know that their opinions are valued.
- Be consistent in demonstrating your concern for your employees' success.
- Follow through on promises and commitments you've made.
- Share or give credit to those who contribute good ideas.
- Acknowledge your own weaknesses. When you recognize your own flaws, people see you as being a truthful person and will likely trust you more.

Tips for helping an employee find a mentor

- Look for individuals who are able to understand and shape the employee's long-term professional goals (e.g., someone who has a similar background or who is currently in a position the employee might like to have in the future).
- Consider people who are influential within the company. These individuals know how the organization works and can help your employee navigate the system.
- Think about someone who possesses a higher level of functional experience than the employee. Sometimes individuals outside of your company or outside the chain of command, such as someone in a trade organization, are the best mentors.
- Look for someone with a skill set that is broader than the employee's. While you want the individuals to connect with each other, you also want the relationship to help your employee grow and develop in new ways.
- Defining how the relationship should work can help both the mentor and your direct report. For example, how often should they meet? What types of things should they discuss? What are the rules for confidentiality?
- Ask your employee what they want to get out of a mentoring relationship to help you find the right fit.

Tips for motivating top employees

- Give your direct reports the opportunity to use their unique strengths every day. Look for interesting assignments that fit with the employee's skills and interests.
- Respect individual strengths and differences. Identify individual needs, interests, and goals, and adapt assignments, perks, and recognition accordingly.
- Recognize employee contributions regularly. Don't wait for a formal performance review to acknowledge how much an employee's contributions mean to you. Send an e-mail, leave a voicemail, or give the employee a special bonus such as a gift certificate to a restaurant or even a bouquet of flowers.
- Give employees the responsibility and freedom to learn new skills and make their own mistakes. Delegate challenging assignments and let your employees handle them on their own. Let your employees know you trust them to learn and improve.
- Provide competitive salaries and benefits. While your employees also may be motivated by other things, compensation is important to almost everyone.
- Provide mentors. Mentors can provide both guidance and constructive criticism.

Tips for nurturing solid contributors

- Keep track of communications with your employees to make sure that you are not ignoring solid contributors.
- Tell these employees they are valued on a regular basis.
- Be creative with your rewards, both large and small. Don't be afraid to send an e-mail, leave a voicemail, or give the employee a special bonus to acknowledge his or her contributions.
- Accept that some people in your group will not want to advance further in their careers. Don't push them. Instead, look for ways to keep their jobs interesting, without burdening them with unwanted new responsibilities.
- Allocate resources to solid performers with high potential. Consider providing a mentor, coaching, and/or interesting learning opportunities.

Tips for creating an individual development plan

- The development plan should be a collaborative effort between you and your direct report. Work with the employee to create achievable goals that he or she can remain enthusiastic about over the long-term.
- Aim to make at least 70% of the suggested action items on-the-job learning, such as stretch assignments.
- Aim to make less than 20% of the suggested development activities training programs or other formal education programs.
- Be sure to include opportunities for coaching the employee.
- Focus your plan on leveraging strengths as well as overcoming weaknesses.
- Include an expected outcome and time frame for each action item to establish accountability and to help ensure that the employee stays on track.
- Make the plan challenging enough to push the employee to the edge of his or her comfort zone in the areas targeted for development.
- Help the employee recruit at least one person who will help hold him or her accountable to the goals described in the development plan.

Worksheet for evaluating performance and potential

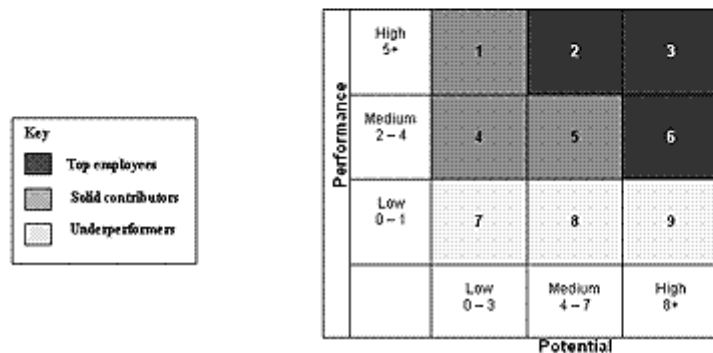
<i>Worksheet for Using the Performance and Potential Grid</i>		
<i>Use this tool to assess your employees' performance and potential and to start to develop a plan for their growth.</i>		
NAME OF EMPLOYEE:		
Part I: Defining Performance		
Question	Yes	No
1. Does this employee <i>exceed</i> expectations in at least one area of performance?		
2. Would you say that this employee exceeds expectations in <i>most</i> (or <i>all</i>) areas of performance?		
3. Does this employee meet or exceed expectations in <i>all</i> areas of performance?		
4. Is the employee a key contributor to the team and the organization?		
5. Does the employee act on corrective performance feedback in order to improve performance?		
6. Have you provided significant, specific performance rewards to this employee (special bonus, formal recognition, etc.)?		
TOTALS		
<i>To evaluate this employee's performance, calculate the total number of "yes" responses and use the following scoring: 0-1 = Low; 2-4 = Medium; 5-6 = High</i>		
Part II: Defining Potential		
Question	Yes	No
1. Could the employee perform at a higher level, in a different position or take on increased responsibilities within the next year (consider the person's ability only, not whether there is a position available to support this growth)?		
2. Could the employee perform at a higher level, in a different position, or take on increased responsibilities within the next three years (consider the person's ability only, not whether there is a position available to support this growth)?		
3. Can you envision this employee performing two levels above his or her current position in the next five to six years?		

4. Is the organization likely to value growth of the skills and competencies of this employee over the next several years?		
5. Could the employee learn the additional skills and competencies he or she needs to be able to perform at a higher or different level?		
6. Does the employee demonstrate leadership ability—by showing initiative and vision, delivering on promised results, communicating effectively, and taking appropriate risks?		
7. Does the employee demonstrate an ability to comfortably interact with people at a higher level or in different areas?		
8. Does the employee demonstrate comfort with a broader company perspective than his or her job currently requires?		
9. Does the employee demonstrate flexibility and motivation to move into a job that might be different than any that currently exist?		
10. Does the employee welcome opportunities for learning and development?		
TOTALS		

To evaluate this employee's potential, calculate the total number of "yes" responses and use the following scoring:
 0-3 = Low; 4-7 = Medium; 8-10 = High

Part III: Plotting the Results

Use the number of "yes" answers from Parts I and II to place the employee on the Performance and Potential Grid.



Part IV: Strategies for Action

For employees in Cells 2, 3, and 6 (top employees):

Use the following suggestions to create a development strategy.

Top Employees

- Recognize performance**—Acknowledge the employee's achievements. Consider whether you are able to provide a special bonus, an opportunity to work on a special project, or some other form of reward. In the case of a person falling into cell 6, however, don't overly praise performance, since this person might be capable of achieving even more if properly motivated.
- Explore the employee's interests and values**—What types of work excite them? What do they enjoy doing? Are there types of projects they haven't worked on that they would like to try? What motivates them at work (e.g., challenging assignments, financial reward, public recognition, etc.)? Are they interested in taking on more responsibility? Are there outside constraints that might limit their ability to take on certain roles?
- Define the employee's skills**—What is the employee good at? Are there any skill gaps (especially for cell 6)? Are there skills you would like to see strengthened or developed?
- Explore creative opportunities for growth**—Consider assignments that match the employee's interests and might help him or her learn new skills.
- Be honest about career possibilities within your organization**—Is there a likely opportunity for advancement within your company? If not, what are other possible opportunities (e.g., working in a new area or leading a special project) for this employee in the long-term?
- Create an individual development plan**—Once your discussion are complete, outline suggested next steps and get agreement from the employee on the recommended course of action. Continue to follow up with and support your employee.

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Employee's planning worksheet for development discussions

Employee's Planning Worksheet for Development Discussions
Use the following questions to help you think about your developmental needs and goals before you meet with your manager to discuss them.
Interests and Values
What are your professional interests and values? For example, what types of projects do you enjoy? Are you motivated by compensation? By increased responsibility?

What are your lifestyle needs? <i>For example, limited or no travel, set work schedule, etc.</i>
Skills: Strengths and Gaps
What are your top five skills (i.e., those where you have the most proficiency and/or those you enjoy using the most)?
What do you believe are the top two or three skills you need to learn in order to grow in your job, advance to the next level, or seek a new job?
What are your key transferable skills—those skills that are not just job-specific but that can be applied to work in many positions? <i>For example: basic computer skills, negotiation skills, financial analysis.</i>
Do you think you are currently performing up to your potential? Why or why not?
Job Satisfaction
What is your overall level of satisfaction with your current position? Are you beginning to sense it's time for a change?
What parts of your work would you like to continue doing, or do with more skill?
What new work activities or positions would you like to try?
Career Goals and Next Steps
What would you like to be doing six to twelve months from now?
What do you need to do to get there? <i>For example: What types of projects would you need to work on? What type of experience would you need to get? What type of training would you need?</i>
What would you like to be doing three to five years from now?
What do you need to do to get there? <i>For example: What types of projects would you need to work on? What type of experience would you need to get? What type of training would you need?</i>

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Manager's planning worksheet for development discussions

<i>Manager's Planning Worksheet for Development Discussions</i>
<i>Use the following questions to help you think about your direct report's needs and goals before you conduct a development discussion. You may need to have a preliminary discussion with your employee to complete this form.</i>
Employee Name:
Interests and Values
What are the employee's professional interests? What types of projects does he or she enjoy?
What do you perceive as being the employee's lifestyle needs based on what you have observed in the workplace? <i>For example, limited or no travel, set work schedule to meet outside responsibilities, etc.</i>
What do you think motivates this employee? <i>For example, compensation, high-visibility projects, public recognition, etc.</i>
Skills: Strengths and Gaps
What are the employee's top five skills?
What two or three skills does the employee need to learn in order to grow in his or her current job, advance to the next level, or seek a new job?
Performance and Potential
Is this employee currently performing up to his or her potential? If not, what do you think is preventing him or her from achieving better results?
Does this employee have an interest in taking on more responsibility?
Does this employee's performance record and potential support the possibility of taking on more responsibility? Explain.
Opportunities and Next Steps
Do opportunities exist within your group and/or the company for this employee to advance?
If so, what are they?
If not, what other opportunities are available to this employee? <i>For example, increased responsibilities, work in different subject areas, etc.</i>

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Individual development plan worksheet

<i>Individual Development Plan Worksheet</i>			
Use this form to help strengthen an employee's professional abilities by matching the individual's skills, business interests, and work values with opportunities for growth.			
Developmental Goals		Measures of Achievement/Expected Outcomes	
1.			
2.			
3.			
Methods to Be Used			
On-the-Job Learning			
What challenging assignments should this employee work on to build skills and achieve developmental goals? List the goal number next to each item.			
Goal #	Type of assignment	Time Frame	
Training/Education			
What specific training, educational experiences, and performance support measures (including online learning) can be used to develop desired skills and assist in achieving the employee's goals? List the goal number next to each item.			
Goal #	Type of Training/Education/Support	When	Cost Estimate
Support Needed			
What additional support is needed to achieve the employee's goals (e.g., coaching, mentoring, etc.)? How will it be provided?			
Monitoring Progress			
Who will provide feedback on the employee's progress, and how often? Be as specific as you can regarding who is involved and how often progress will be assessed.			
Time Frame			
Start date of plan:		Anticipated completion date:	
Agreement — This plan is agreed to as indicated by the signatures below.			
Plan Participant	Date	Manager	Date

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Why Develop Others?

"At the end of the day, you bet on people, not strategies."

Larry Bossidy
Former CEO, AlliedSignal

In today's global business environment, markets and regulations change quickly. Competitors constantly innovate. Technological changes are the norm.

In order to outmaneuver the competition and meet the demands of the moment, organizations must be agile. They must execute flawlessly. And they must transform themselves continuously.

Are your leaders ready?

Dr. Noel M. Tichy
Professor
University of Michigan Ross School of Business

We have now entered an era where I don't care what industry you're in, you need leaders who can make decisions, make judgment calls at every single level. All the way down to the interface with the customer.

If you go to a company like Google or any of the high tech companies, a lot of the innovation that Amazon does is happening right at the front line. Go ahead, try it, put it out there, we'll learn from it. That cannot happen if the senior leadership doesn't have a commitment to both develop the leadership capability, but develop the business through engaging people at all levels of the organization.

Becoming a teaching organization

I like to tell parents that they cannot delegate their responsibility to develop their children. And I think it is the same in an organization. Day in and day out the person that has the biggest impact on people in the organization is the next level above and the associates around and below. And so to build a learning organization I say is not enough. Learning could be, you know we are learning cooking, we are learning this or that, but teaching organizations, when I learned something, I have a responsibility to teach my colleagues.

So everybody takes responsibility for generating new knowledge and it is not enough to be a learner, you then have to translate it into teaching.

The Virtuous Teaching Cycle

The role of a leader is to ensure that the people who work for them and around them are better every day. There's only one way to make people better. It's to teach them, learn from them, create what I call "virtuous teaching cycles", not command and control.

A virtuous teaching cycle is teach learn, teach learn. And the leader has a responsibility for reducing the hierarchy, for having a point of view to start the discussion, but then to be responsible to hear everyone's voice, get everyone involved in a disciplined way. It is not a free for all. But it is the leader's responsibility to create that virtuous teaching cycle.

A wonderful example of virtuous teaching cycle is the program that Roger Enrico ran at Pepsi, where every one of the 10 vice presidents comes with a business project.

Roger Enrico gets smarter as result of five days with 10 vice presidents, because he's learning from them. He needs to lower the hierarchy. He needs to be open to learning. And in turn, the people participating need to be energized and empowered to come up and engage in problem solving.

Another example is at Best Buy, where every morning in the stores you would bring 20 associates or so together and they would review the profit and loss statement from the day before, what we learned from the different customer segments in our stores, what we can do to improve our performance this day. And they do that every single day. The store manager was learning mostly from the associates on the floor.

That was a virtuous teaching cycle where everybody is teaching everybody, everybody is learning and the result has been an incredible result at Best Buy.

"The growth and development of people is the highest calling of leadership."

- Harvey S. Firestone

Founder, Firestone Tire and Rubber Co

There are clear advantages to leader-led development.

But for many leaders, taking on teaching, coaching, and other development responsibilities can seem daunting. You might avoid taking on these roles due to lack of time, resources, or your own lack of comfort with this role.

The following tips and resources can help you impart valuable learning to your team every day.

To develop others...

- Start with a Teachable Point of View

The first requirement of being able to develop other leaders is to have what I call a teachable point of view. I often give the example of, if I ran a tennis camp and you just came to day one of the tennis camp, I better have a teachable point of view on how I teach tennis. So you are standing there looking at me and it has got four elements. One, the ideas, well how do I teach the backhand, the forehand, the serve, rules of tennis. Then if I am a good tennis coach, I have a set of values. What are the right behaviors I want, how do I want you to dress, how do I want you to behave on the tennis court.

But if that's all I have, what do I do? Show you a power point presentation and then expect you to hit 500 backhands, 500 serves, run around for eight hours. I have to have a teachable point of view on emotional energy. How do I motivate you to buy in to the ideas and values?

On one end of the spectrum it could be I threaten you with corporal punishment, the other I can give you stock options, I can make you feel good about yourself, I can help you develop as a human being, what motivates you.

And then finally, how do I make the tough judgment calls, the yes/no, decisions as the tennis coach, the ball is in, the ball is out. I don't hire consultants and set up a committee, it is yes/no. And the same with running a business, what are the products, services, distribution channels, customer segments that are going to grow top line growth and profitability of the organization.

What are the values that I want everyone in the organization to have, how do I emotionally energize thousands of people, and then how do I make the yes/no, judgments on people and on business issues. So the fundamental building block of being able to develop other leaders is to have that teachable point of view just like the tennis coach.

To develop others...

- Lead with questions

Questions are hugely important because you want to create dialogue and again, what I call a virtuous teaching cycle where the teacher learns from the students and vice versa. Which means everybody ought to be free to ask whatever is on their mind, whatever it will take to get clarity and understanding, but it is not the leader just coming in and freeform asking questions. I believe the leader has a responsibility for framing the discussion, for having as best they can a teachable point of view, they may need help from their people in flushing it out, but they need to set the stage but then it has to be a very interactive, what I call virtuous teaching cycle environment, teach learn, teach learn, teach learn.

To develop others...

- Make it part of your routine

A good example to me of an outstanding leader developing other leaders is Myrtle Potter who at the time I am commenting was Chief Operating Officer of Genentech running the commercial side

of the business. And she would take time at the end of every single meeting and do some coaching of the whole team on how we could perform as a team better, and then she would often take individuals and say, could we spend 10 minutes over a cup of coffee, I want to give you some feedback and coaching on that report that you just presented on or how you are handling a particularly difficult human resource issue, but it was part of her regular routine. And I think the challenge for all of us as leaders is to make that a way of life and it is built into the fabric of how we lead and it is not a one off event, three times a year. It is happening almost every day.

To develop others...

- Make it a priority

One of the biggest challenges in getting people kind of on this path is to overcome some of their own resistance, either fear or the way I view the world I don't have time for this, everybody can make time. Roger Enrico is CEO of Pepsi. He didn't have time to go off for a week at a time and run training sessions. He had to readjust his calendar. So it requires you to look in the mirror and say, is this important. If it is important, of course I can make the time. Then I have to get over my own anxiety on how well I can do it, but it is a commitment to get on the path that says: this is how I am going to drive my own performance and the performance of my colleagues.

To develop others...

- Learn to teach

I think the biggest mistake is to assume you are going to be good at it right off the bat. It is like learning anything else. First time you go out and try and play tennis, good luck. But you got to stay with it and you got to engage your people in helping make you better and them better. And so it is a journey you need to get on, not I am going to do it perfectly when I start out.

If you want to be a great leader who is a great teacher, it's very simple. You have got to dive into the deep end of the pool. But you've got to dive into the pool with preparation. I don't want you drowning. I want you succeeding. It is extraordinarily rewarding for most human beings to teach others. I think once you can turn that switch on, it is self perpetuating. You get a lot of reinforcement, your team is better. You perform better because your performance goes up and it becomes this virtuous teaching cycle.

Your opportunity to develop others

We've heard why developing others can drive greater business results, and how to make the most of your leader-led development efforts. The materials provided in Develop Others enable you to create personalized learning experiences for YOUR team within the flow of their daily activities. Use the guides and projects to engage your team quickly. And to explore how key concepts apply to them in the context of their priorities and goals.

The value of teaching is the performance of the organization is totally dependent on making your people smarter and more aligned every day as the world changes. In the 21st century we are not going to get by with command and control. We are going to have to get by with knowledge creation. The way you create knowledge in an organization is you create these virtuous teaching cycles where you are teaching and learning simultaneously, responding to customer demands and changes, responding to changes in the global environment. My bottom line is if you're not teaching, you're not leading.

A leader's most important role in any organization is making good judgments — well informed, wise decisions about people, strategy and crises that produce the desired outcomes. When a leader shows consistently good judgment, little else matters. When he or she shows poor judgment nothing else matters. In addition to making their own good judgment calls, good leaders develop good judgment among their team members.

Dr. Noel M. Tichy**Professor, University of Michigan Ross School of Business**

Dr. Noel M. Tichy is Professor of Management and Organizations, and Director of the Global Business Partnership at the University of Michigan Ross School of Business. The Global Business Partnership links companies and students around the world to develop and engage business leaders to incorporate global citizenship activities, both environmental projects and human capital development, for those at the bottom of the pyramid. Previously, Noel was head of General Electric's Leadership Center at Crotonville, where he led the transformation to action learning at GE. Between 1985 and 1987, he was Manager of Management Education for GE where he directed its worldwide development efforts at Crotonville. He currently consults widely in both the private and public sectors. He is a senior partner in Action Learning Associates. Noel is author of numerous books and articles, including:

For more information about Noel Tichy, visit <http://www.noeltichy.com>.

Share an Idea

Leaders are in a unique position to recognize the ideas and tools that are most relevant and useful for their teams. If you only have a few minutes, consider sharing an idea or tool from this topic with your team or peers that is relevant and timely to their situation.

For example, consider sending one of the three recommended ideas or tools below to your team with your comments or questions on how the idea or tool can be of value to your organization. By simply sharing the item, you can easily engage others in important conversations and activities relevant to your goals and priorities.

[Steps for identifying career development opportunities for your employees](#)

[Tips for creating an individual development plan](#)

[Worksheet for evaluating performance and potential](#)

To share an idea, tip, step, or tool with your comments via e-mail, select the EMAIL link in the upper right corner of the page that contains the idea, tip, step, or tool that you wish to share.

Discussion 1: Strategies for developing top performers

Satisfying the needs of top performers and nurturing their professional growth is critical to an organization's success. Your best employees boost company performance, both directly—by working diligently at their jobs—and indirectly, by their ability to inspire and motivate others. Therefore it's critical to invest adequate time and energy to keep them satisfied and engaged.

You and your team can make substantial contributions to your organization by skillfully creating employee development strategies for the needs of top performers.

Use these resources to lead a discussion with your team about a) How well the team is currently addressing the development needs of top performers and b) What you could be doing to create development strategies that will sustain top performers' professional growth and commitment to the organization.

Download resources:

[Discussion Invitation: Strategies for Developing Top Performers](#)

[Discussion Guide: Strategies for Developing Top Performers](#)

[Discussion Slides: Strategies for Developing Top Performers \(optional\)](#)

[Tips for Preparing for and Leading the Discussion](#)

The discussion helps individual team members to better understand their current level of effectiveness in developing top performers and to leverage ways to further strengthen their skills.

Working through the discussion guide can take up to 45 minutes. If you prefer a shorter 15- or 30-minute session, you may want to focus only on those concepts and activities most relevant to your situation.

Discussion 2: Developing solid contributors

It's easy to recognize the employees in your organization who bring in the biggest revenues or win awards — your “top performers.” But there is another group of employees who also need and deserve your attention — your solid contributors. Solid contributors may not seek the limelight, but it's still critical for managers to recognize, value, and grow these core contributors in your organization. You and your team can make substantial contributions to your unit or department by creating development strategies that energize and motivate solid contributors who form the backbone of your organization.

Use these resources to lead a discussion with your team about a) the importance of developing solid contributors b) assessing current development efforts for solid contributors and c) creating appropriate development strategies for solid contributors.

Download resources:

[Discussion Invitation: Developing Solid Contributors](#)

[Discussion Guide: Developing Solid Contributors](#)

[Discussion Slides: Developing Solid Contributors \(optional\)](#)

[Tips for Preparing for and Leading the Discussion](#)

The discussion will help individual team members to better understand their current level of effectiveness in developing solid contributors and to leverage effective development strategies for these core contributors.

Working through the discussion guide can take up to 45 minutes. If you prefer a shorter 15- or 30-minute session, you may want to focus only on those concepts and activities most relevant to your situation.

Start a Group Project

Just like any change effort, successfully incorporating new skills and behaviors into one's daily activities and habits takes time and effort. After reviewing or discussing the concepts in this topic, your direct reports will still need your support to fully apply new concepts and skills. They will need to

overcome a variety of barriers including a lack of time, lack of confidence, and a fear of making mistakes. They will also need opportunities to hone their skills and break old habits. To help ensure their success, you can provide safe opportunities for individuals and your team as a whole to practice and experiment with new skills and behaviors on the job.

For example, to encourage the adoption of new norms, you can provide your team members with coaching, feedback, and additional time to complete tasks that require the use of new skills. Management approaches such as these will encourage team members to experiment with new skills until they become proficient.

Group learning projects provide another valuable technique for accelerating team members' development of new behaviors. A group learning project is an on-the-job activity aimed at providing team members with direct experience implementing their new knowledge and skills. Through a learning project, team members discover how new concepts work in the context of their situation, while simultaneously having a direct and tangible impact on the organization.

The documents below provide steps, tips, and a template for initiating a group learning project with your team, along with two project recommendations for this topic.

Download resources:

[Tips for Initiating and Supporting a Learning Project](#)

[Learning Project Plan Template](#)

[Learning Project: Creating Employee Development Plans](#)

[Learning Project: Leading a Development Discussion](#)

How to Set Expectations With Young Talent

Chris Resto. "How to Set Expectations with Young Talent." *Harvard Management Update*, February 2008.

[Download file](#)

Summary

Although recent grads want to contribute to the organization, they also want to make sure they are developing their skills and building their career paths right from the start. A little care and education go a long way in setting young employees' expectations. Ask for their input, point out learning opportunities and goals, and spell out how their work toward meeting those expectations will enhance their development. Your new hires will feel much more valued and will be motivated to create more value for your organization and for your clients.

Growing Talent as if Your Business Depended on It

Jeffrey M. Cohn, Rakesh Khurana, and Laura Reeves. "Growing Talent as if Your Business Depended on It." *Harvard Business Review*, October 2005.

[Download file](#)

Summary

In this article, the authors explain what makes a successful leadership development program, based on their research over the past few years with companies in a range of industries. They describe how several forward-thinking companies (Tyson Foods, Starbucks, and Mellon Financial, in particular) are implementing smart, integrated, talent development initiatives. A leadership development program should not comprise stand-alone, ad hoc activities coordinated by the human resources department, the authors say. A company's leadership development processes should align with strategic priorities. From the board of directors on down, senior executives should be deeply involved in finding and growing talent, and line managers should be evaluated and promoted expressly for their contributions to the organizationwide effort. HR should be allowed to create development tools and facilitate their use, but the business units should take responsibility for development activities, and the board should ultimately oversee the whole system.

Leadership Development: Perk or Priority?

Idalene F. Kesner, Susan Burnett, Mike Morrison, Noel M. Tichy, and David Owens. "Leadership Development: Perk or Priority?" *Harvard Business Review*, May 2003.

[Download file](#)

Summary

Karen Barton, Zenda Pharmaceuticals' senior vice-president of human resources, was livid when COO Dave Palmer slashed her executive education budget by 75%. Without funding, there could be no in-house leadership development program, which was to be the first step toward a full-blown Zenda University. Palmer was not against bold initiatives, but sales were down 26%, and there was that \$300 million debt Zenda took on when it acquired Premier Pharmaceuticals. As a result, Barton's budget wasn't the only one being cut. Palmer added that it wasn't clear what the return on investment of her proposed program—or any of her current ones for that matter—would be. Barton's analysis had been woefully short on quantitative benefits. Figuring ROI for people isn't the same as calculating the payback from a machine, Barton complained to friend and ally Carlos Freitas, head of the medical devices division. But Freitas disagreed: "If you want dollars, you have to show how you fit in with [management's] plans. You must be willing to fight for resources with the rest of us." She knew Freitas was right. She needed to make the case that doubling her budget was a smart move even in tough times. The question was, How?

Commenting on this fictional case study are Susan Burnett, an HR executive at Hewlett-Packard; Mike Morrison, dean of the University of Toyota; Noel M. Tichy, professor at the University of Michigan Business School; and David Owens, vice-president of Bausch & Lomb's corporate university.